

AB 32 California Global Warming Solutions Act of 2006 and the Scoping Plan

CAT Energy Subgroup Workshop

May 2, 2008

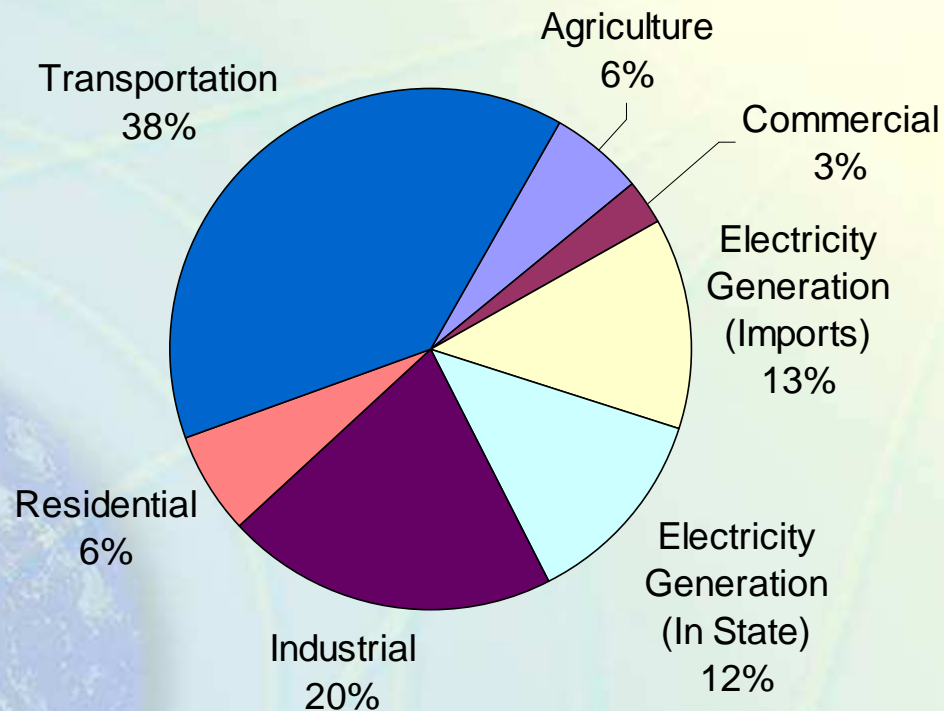
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What Is AB 32?

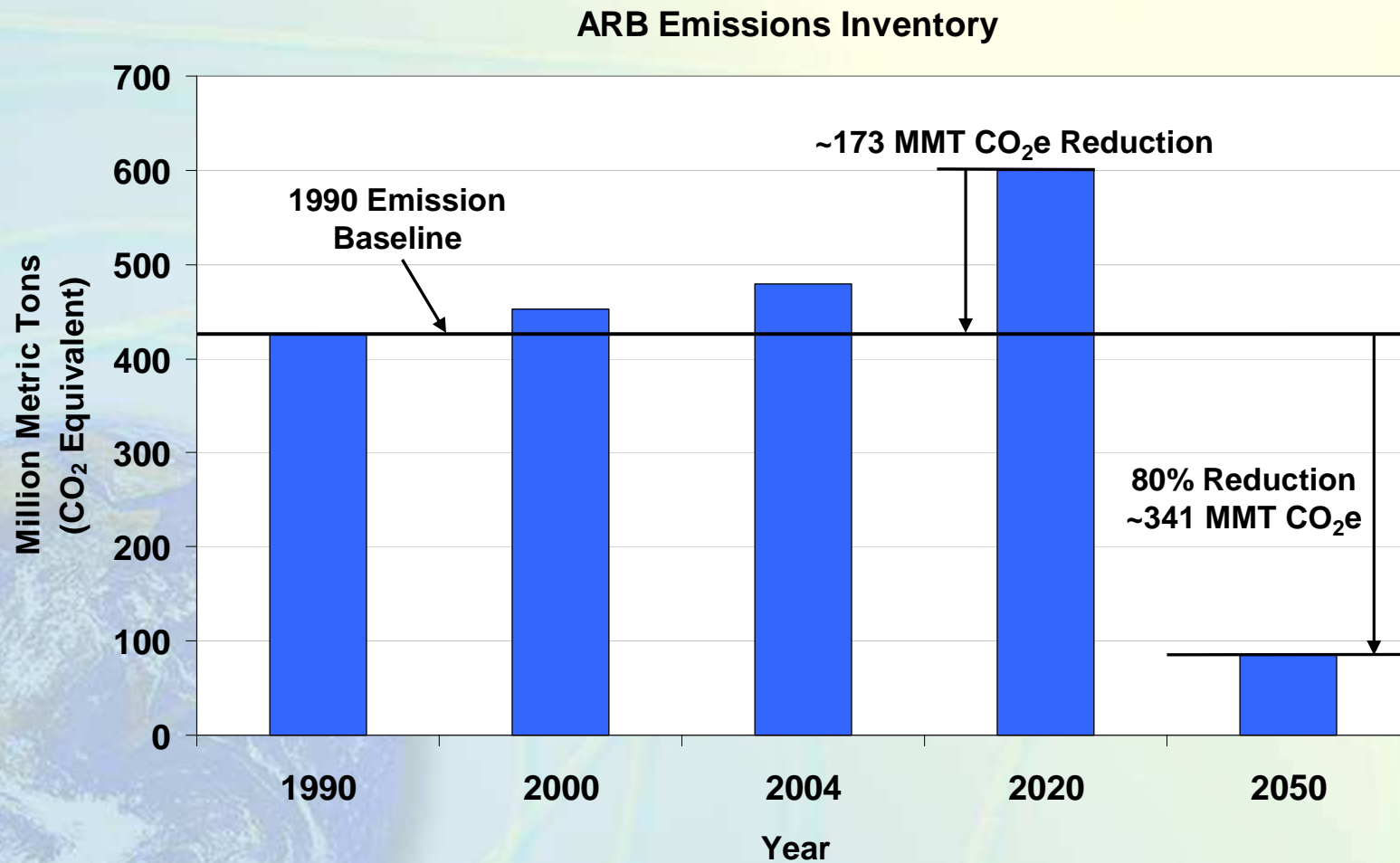
- Sets in statute 2020 GHG emissions limit at 1990 level
 - Acknowledges that 2020 is not the endpoint
- Air Resources Board (ARB) to monitor/regulate GHG sources
- Extensive collaboration with other agencies
- Mandates that a Scoping Plan be adopted by January 1, 2009, with ARB as lead

California GHG Emissions

2004 Emissions (480 MMT CO₂e)



Magnitude of the Challenge



What Is the Scoping Plan?

- California's plan, developed by ARB, to reduce the State's emissions to 1990 levels by 2020
- A model for other states, regions or nations
- A process to develop cost-effective GHG emission reductions
- A tool to identify economic benefits from improved efficiency and business creation
- An opportunity to provide co-benefits and additional reductions in criteria and toxic emissions
- A vision for a low carbon future beyond 2020

Who Is Developing the Scoping Plan?

- ARB is responsible for developing and approving the Scoping Plan
- ARB is working closely with Cal/EPA and the Climate Action Team subgroups
 - Energy CAT
 - Technical evaluations performed by multi-agency teams
 - Stakeholder outreach will be a joint effort with other State agencies
- Advisory groups (EJAC, ETAAC & MAC) providing recommendations

Who Else Is Involved?

- Climate Action Team subgroups
- Local air districts & other local government
- Industrial sources
- Transportation sources
- Environmental groups
- Community groups
- Public
- Climate Action Registry
- Western Climate Initiative
- International organizations

Public Process

- Stakeholder outreach
 - Public workshops to discuss plan development
 - November: scoping plan kick-off workshop (L.A.)
 - December: sector summary workshop (Sac.)
 - January: mechanisms workshop (Oakland)
 - May: scoping plan scenarios workshop (Sac.)
- Cat subgroup stakeholder meetings – ongoing
- Economic analysis technical workgroup – ongoing
- Program design technical workgroup – ongoing
- Community meetings – planned

What Will Be in the Scoping Plan?

- AB 32 requires maximum technologically feasible and cost-effective GHG emission reductions to achieve target of 427 MMTCO₂e
- Possible components include:
 - Direct regulations
 - Alternative compliance mechanisms
 - Market-based compliance mechanisms
 - Monetary and non-monetary incentives

Statutory Framework

- In adopting regulations to implement Scoping Plan, the Board shall:
 - Be equitable, minimize costs and maximize total benefits, encourage early action
 - Avoid disproportionate impacts
 - Ensure voluntary reductions get appropriate credit
 - Consider cost-effectiveness, overall societal benefits
 - Minimize administrative burden
 - Minimize leakage
 - Consider significance of sources

Core Measures in the Scoping Plan

- Core emission reduction measures expected to be included in Scoping Plan:
 - AB 1493 (Pavley) Emission Standards
 - Low-Carbon Fuel Standard
 - Reduction of Vehicle Miles Traveled
 - Other ARB Discrete Early Actions
 - Energy Efficiency
 - Renewable Portfolio Standard
 - High Global Warming Potential Gases
 - Other Core Measures Identified By CAT Subgroups

Importance of Local Action

- Cities and residents impacted by climate change
- Local governments have authority
- Can achieve substantial co-benefits
- Serves as a model for residents and other cities

2008 ARB GHG Activities

- Hold Scoping Plan scenarios workshop (May 19)
- Release draft Scoping Plan release (June 26)
- July workshops on draft Plan
 - July 8, 14, 17 (LA, Fresno, and Sacramento)
- Release final plan proposal (October 3)
- Hold board hearing on scoping plan (Nov. 20–21)

Ultimate GHG Goals

- Create model that is copied by other states and nations
- Develop least cost approach
- Generate economic benefits due to improved efficiency and business creation
- Achieve other societal benefits, such as associated reductions in criteria and toxic emissions
- Reduce emissions to 1990 levels by 2020
- Provide a vision for a low carbon future - 2050

Contacts and More Information

- ARB Climate Change Web Site
 - <http://www.arb.ca.gov/cc/cc.htm>
 - Stay informed - sign up for list serve
- Office of Climate Change
 - ccplan@arb.ca.gov